


APPENDIX F

NORTH MIAMI BEACH
ECONOMIC DEVELOPMENT UPDATE
FIVE YEAR REPORT (1988-1993)

City of North Miami Beach

Economic Development UPDATE Five Year Report



*“Change is inevitable.
Progress requires work.”*

Unknown

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Some years are especially important in the life of a community. They are watersheds, a point marking an important change of direction. For North Miami Beach, 1988 was one of those years.

That was the year the City Council decided the City should take a more direct role in promoting economic development. The concern was that if the City did not, economic growth in the region would all occur in other, newer communities and North Miami Beach would be left behind.

The City Council wanted to expand the traditional City role with a program of policies and services designed specifically to encourage real estate and business investments in North Miami Beach. In late 1988, the City Council authorized the City Manager to treat economic development as a priority goal.

The Challenge

One of the primary concerns was that the newer communities had large amounts of vacant land available at a low cost. Most of North Miami Beach, on the other hand, was already developed. If there was to be any new construction, it would have to occur on redevelopment and infill sites.

A second important concern was that many of the commercial buildings in North Miami Beach had been developed in the 1950s and 1960s. Considerable investment was needed for renovations, landscaping and parking improvements in order to attract new business tenants. There was also a need for upgrades along the streets and other public spaces.

The timing of the new economic development effort caused difficulties, too. The period from 1989 through 1992 was marked by a national recession, depressed real estate markets and a refusal by lenders to make real estate loans.

Economic development would indeed be a challenge.

The Opportunities

Fortunately, North Miami Beach has a number of strengths that offer real opportunities. Among the most important is its location midway between Miami and Ft. Lauderdale and the direct highway access to the South Florida region via I-95, Florida's Turnpike and the Palmetto Expressway.

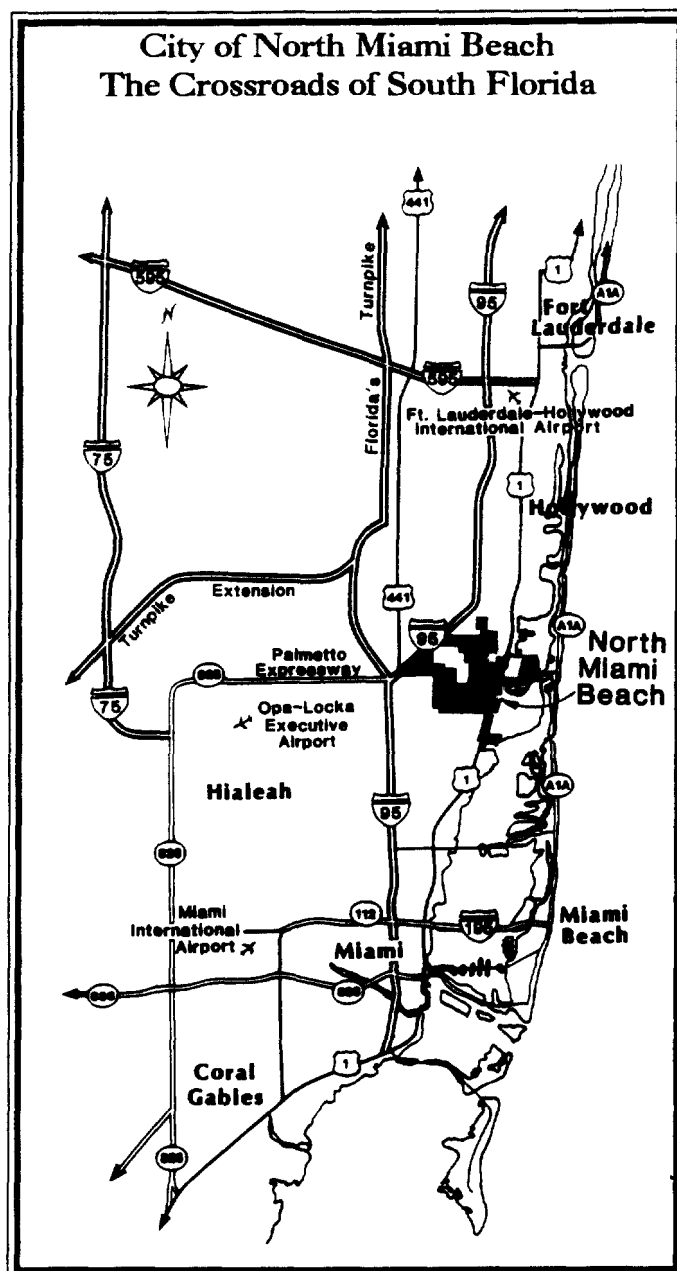
Other advantages are North Miami Beach's position as one of South Florida's best known retail and service shopping areas and its primary trade area of 200,000 people, 79,000 households and average income of \$39,000. North Miami Beach is also one of the region's centers for the health care industry.

But perhaps the most important strength is a Mayor and City Council that are united in their commitment to economic development and have shown their full support at every step.

The Results

An account of what has occurred in the five years since 1988 is presented in the following pages. There have been some impressive results in areas like new construction, commercial renovations, new businesses, retail sales, beautification, cultural facilities and more.

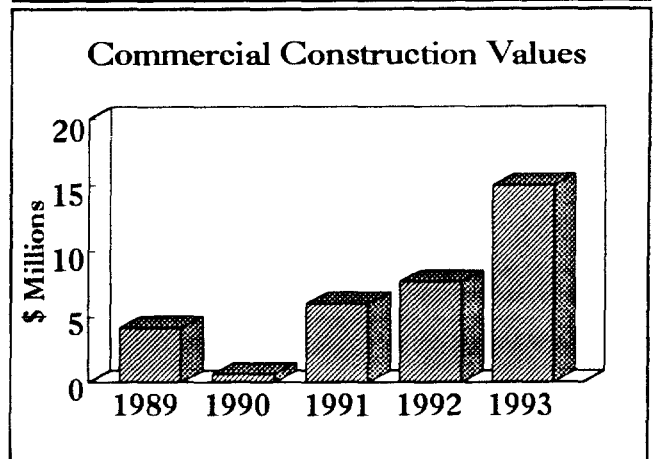
The growth in the City's economy has been an interesting blend of private sector initiatives and government initiatives. Although the changes have not come easily, the overall success rate has been substantial. Taken in total, it's a strong statement of the benefits of an active role by the City and a cooperative approach between the private and public sectors.



ECONOMIC INDICATORS

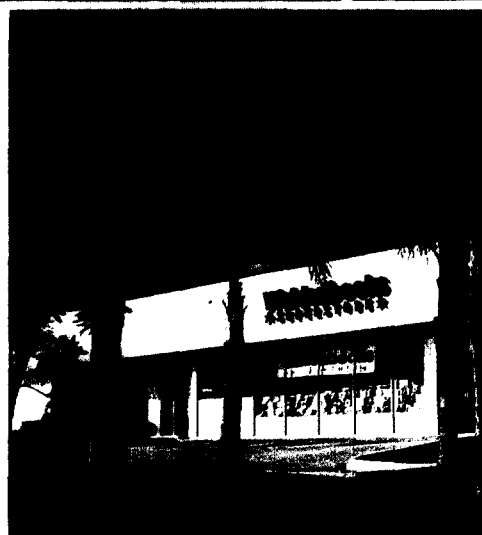
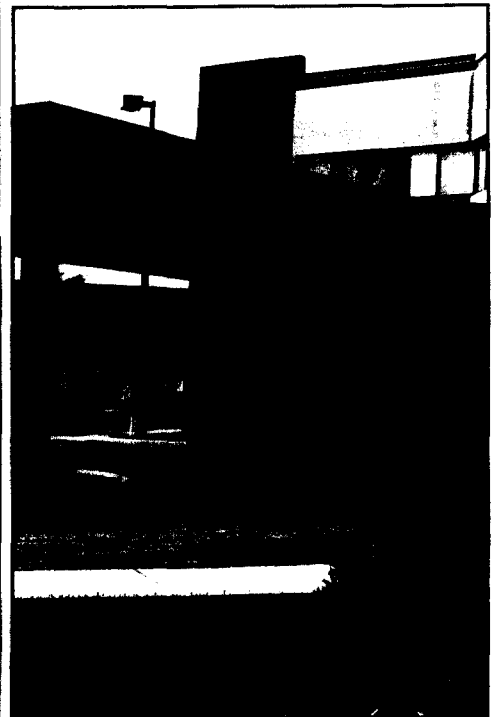
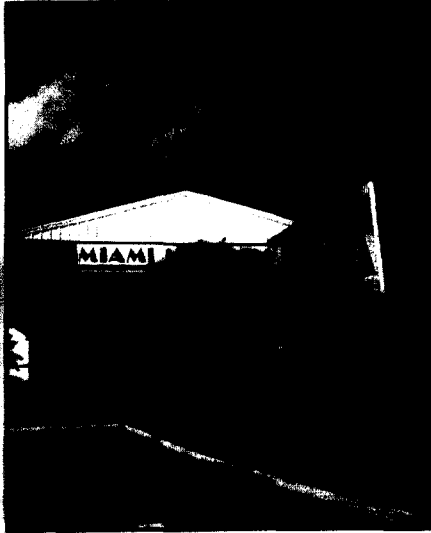
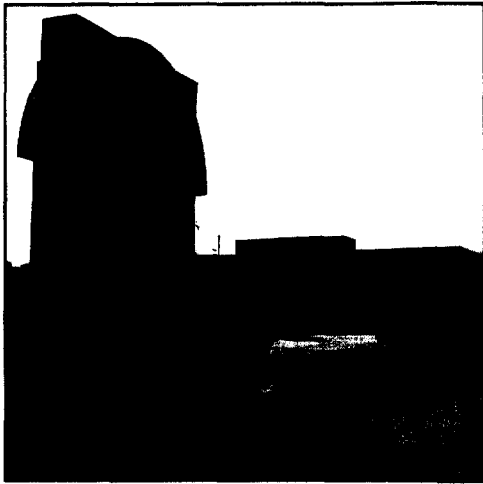
Five years of impressive growth in new construction in North Miami Beach is clear evidence of the rewards of a public/private partnership in economic development.

- ☐ Between 1989 and 1993, there was a total of 28 new commercial construction projects which added 525,015 square feet of office and retail space.
- ☐ Since 1989, more than \$33.5 million has been added to the City's tax base.
- ☐ The new construction and subsequent location of new businesses into available space has created an additional 2,000 jobs in the North Miami Beach marketplace.
- ☐ The variety of new projects is indicative of the broad base supporting North Miami Beach's economy, providing a wide array of opportunities and promoting more stable growth.
- ☐ In addition to these measurable economic indicators, new construction has also had a positive impact on the City's appearance.

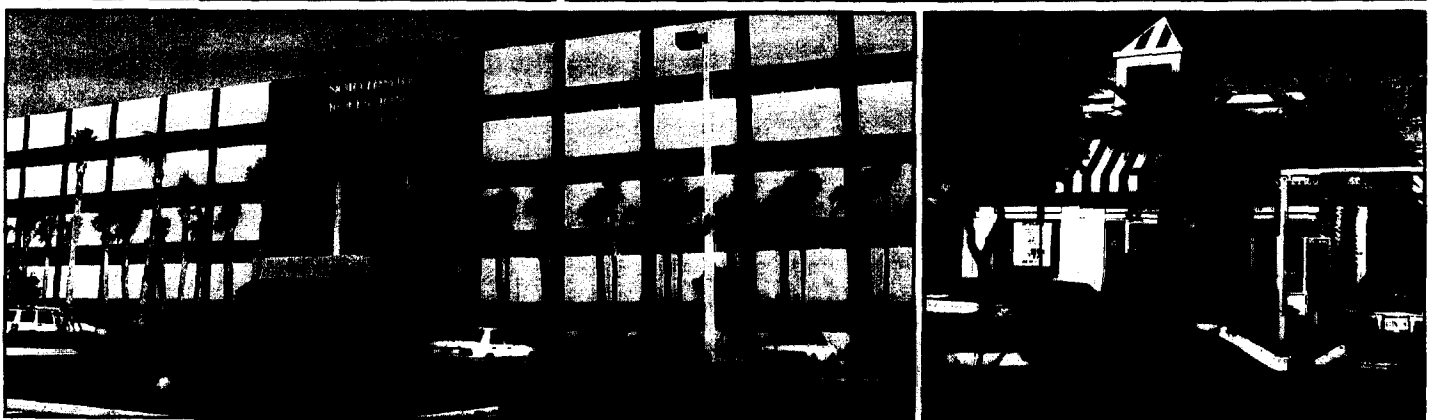


*Shown, from top to bottom,
Walgreens; Pep Boys; Venture
Center I and II; Fortin, Leavy,
Skiles*





Shown, top to bottom, left to right, Freddy's Plaza; Miami Ice Arena; National Tire Wholesale; Edwin Watts Golf Shops; Friendly Ford; Eckerd Drugs; Parkway Maternity Center; Taco Bell (167th Street); Waldenbooks



Shown, top to bottom, left to right, Costco Wholesale, Taco Bell (163rd Street); Peoples Gas System; Checkers; Pizza Hut; FPL District Headquarters; Northpark Professional Building; Kentucky Fried Chicken; New Garden Plaza



City of North Miami Beach
Commercial Construction Projects
1989 to 1993

	Project	Address
1989	Freddy's Plaza	1630 NE 163rd Street
	Waldenbooks	1648 NE 163rd Street
Total Value: \$4.2 million	Venture Center I	16855 NE 2nd Avenue
	Taco Bell	1650 NE 163rd Street
1990	Pizza Hut	1600 NE 163rd Street
	Food Stop	2191 NE 163rd Street
Total Value: \$645,000	Eastland Plaza	75 NW 167th Street
1991	Venture Center II	16855 NE 2nd Avenue
	Parkway Maternity Center	160 NW 170 Street
Total Value: \$6 million	FPL District Headquarters	15900 West Dixie Highway
	Dade Golf Center II	13702 Biscayne Boulevard
	Kentucky Fried Chicken	13801 Biscayne Boulevard
	Checkers	1800 NE 163rd Street
1992	Costco	14585 Biscayne Boulevard
	New Garden Plaza	3355 NE 167th Street
Total Value: \$7.7 million	Walgreens	791 NE 167th Street
	Fortin, Leavy, Skiles	180 NE 168th Street
	National Tire Wholesale	2090 NE 163rd Street
	Eckerd Drug	3501 NE 163rd Street
1993	Edwin Watts Golf Shop	15100 Biscayne Boulevard
	Miami Ice Arena	14770 Biscayne Boulevard
Total Value: \$15 million	Taco Bell	599 NE 167th Street
	Peoples Gas System	16101 West Dixie Highway
	Pep Boys	295 NE 167th Street
	Miami Ice Arena / Addition	14700 Biscayne Boulevard
	Northpark Medical Building	100 NW 170th Street
	Friendly Ford	2198 NE 163rd Street
	Ethan Allen	2751 NE 163rd Street

Total Number of New Construction Projects: 28

Total Value of New Construction Projects: \$ 33.5 million

For over four decades, North Miami Beach has served South Florida as one of its best known and most diversified shopping districts. Businesses, consumers and investors are drawn to the City because of its reputation as a profitable business center.

However, over such a long time period it is inevitable that properties begin to look outdated and show signs of aging.

At some point, buildings need a facelift, landscaping needs to be replaced and parking lots repaved. Such investments enable the properties and businesses to stay competitive in the changing marketplace.

In light of this, one of the City's economic development goals was to upgrade the appearance of the City's older commercial buildings.

In 1989, the City assumed a leadership role to ensure the improvements were suited to community standards. They initiated services to assist property owners with renovations. Owners were provided with landscaping and design advice, low cost conceptual renderings and help in obtaining loans.

This innovative support for improvements of existing developments stimulated a new attitude in local business owners. Soon, the owners were proceeding on their own without the City's involvement, other than regulatory review. To date, 34 properties have been renovated, representing an investment of almost \$3 million.

In addition to the immediate benefits, these improvements also help stimulate future investments by presenting a more attractive appearance and a very visible statement about the business and property owners' confidence in the area's future.



Left: Metro Plaza after renovation.



Below: Metro Plaza before renovation.



Above: Tropical Time Building before renovation.



Right: Tropical Time Building after renovation.

Right: Olympic Building after renovation.



Right: Olympic Building before renovation.



Left: Solid Gold after renovation.



Below: Solid Gold before renovation.



Far Left: Discount Auto Parts before renovation.

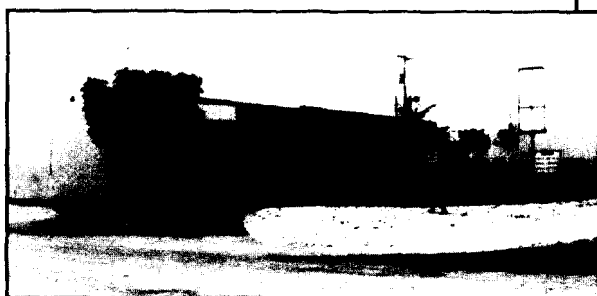


Left: Discount Auto Parts after renovation.

Far Right: Eastside Plaza after renovation.



Right: Eastside Plaza before renovation.



Below: Burger King before renovation.



Above: Burger King after renovation.

Below: Pollo Tropical after renovation.



Above: Pollo Tropical before renovation.

Renovations of Commercial Properties 1989 to 1993

Year	Project
1989	Metro Shopping Center 162nd Street Shopping Center Coconuts
Estimated Total Value \$255,000	
1990	7-Eleven Int'l House of Pancakes Noah's Animal Hospital Olympic Building Solid Gold Rhodes Furniture
Estimated Total Value \$700,000	
1991	Coldwell Banker 909 Building Capitol Bank Builder's Square Tropical Time Building Friendly Ford Vision World BP Service Station Outback Steakhouse Village Center Maule Lake Texaco Mako's Bay Club
Estimated Total Value \$690,000	
1992	Golden Greek Restaurant 167th Street Shopping Center Renter's Choice Burger King Eastside Plaza Discount Auto Parts Pollo Tropical
Estimated Total Value \$575,000	
1993	Baskin Robbins TJ Maxx Knowles Animal Hospital Skylake Center Small Business Center
Estimated Total Value \$680,000	
Estimated Total Value (1989 to 1993) \$2.9 Million	

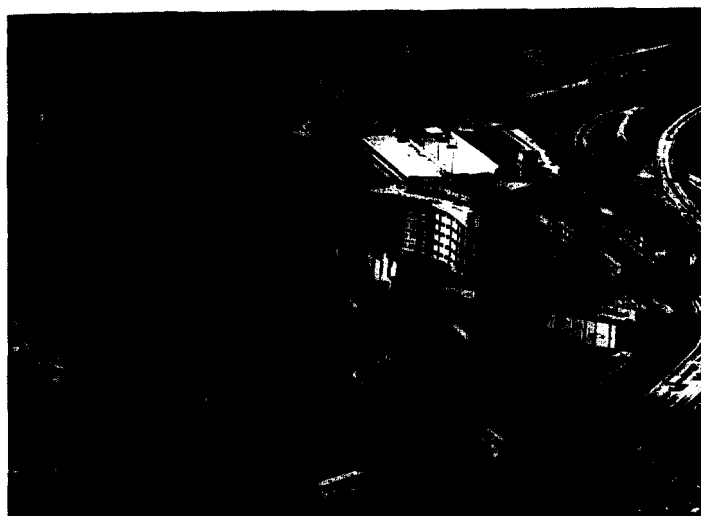
Another strength of North Miami Beach's economy is its role as a leading medical services center. In fact, the medical services sector accounts for more jobs in North Miami Beach than any other sector except retail.

Although the area provides North Dade residents with a wide variety of healthcare options, the medical industry in the City is dominated by the number one, for-profit hospital in South Florida, Parkway Regional Medical Center.

The 412-bed hospital has grown by leaps and bounds over the last five years. The campus has been expanded by more than 100,000 square feet of building space through renovations, construction and real estate purchases.

Responding to the growth and changing demographics of the area, the hospital has repeatedly increased its already impressive array of services.

Since 1989, Parkway has opened a state-of-the-art obstetrics wing, a pediatric emergency room and a day care center for children with minor ailments. An affiliation with Miami



Parkway Regional Medical Center has expanded its campus by more than 100,000 square feet of building space in the last 5 years.

Children's Hospital, which began in fall 1993, will further add to the growth of pediatrics and obstetrics at the hospital.

With over 1,400 employees and 16 acres of property, Parkway is both the City's largest employer and its largest taxpayer. The hospital's staff includes over 750 board certified physicians representing virtually all medical specialties.

Building a Regional Medical Center



1989	1991	1992	1993
Parkway is purchased for \$50 million by Republic Health Corporation of Dallas, TX. Republic merges North Miami Medical Center's operations with those of Parkway.	Parkway completes construction on a state-of-the-art obstetrics wing. The Women's Center is 19,000+ square feet and cost \$3.5 million to build.	The medical center leases an 8,000 square foot building, located at 75 NW 168th Street, to house its Financial Department. The same year, Republic sells its interest in Parkway to OrNda HealthCorp of Nashville, TN.	Parkway purchases office space in, and assumes control of, the Parkway Professional Plaza at 85 NW 168th Street. OrNda buys Golden Glades Medical Center, located less than one mile from Parkway, west of the Golden Glades Interchange. Northpark Medical Office Building, a new \$10 million, 70,000 square foot office building, is completed on land within the Parkway campus.

An important measure of economic activity is the number of new businesses locating in the city. Opening a new business at a new location represents a substantial investment on the part of the business and is a clear demonstration of confidence in the local economy.

New Businesses					
	1989	1990	1991	1992	1993
Storefronts	89	88	83	98	83
Office/Industrial	73	98	90	86	85
Total	162	186	173	184	168

Note: Storefront means ground level store, usually in a shopping center or free standing building.

Obviously, there's a strong demand for a North Miami Beach location. Even faced with an overbuilt market in the region, heavy competition from newer areas and the effects of the recession, the City still attracts an average of 174 new businesses per year.

The total number of occupational licenses issued is also a strong indication of new business activity.

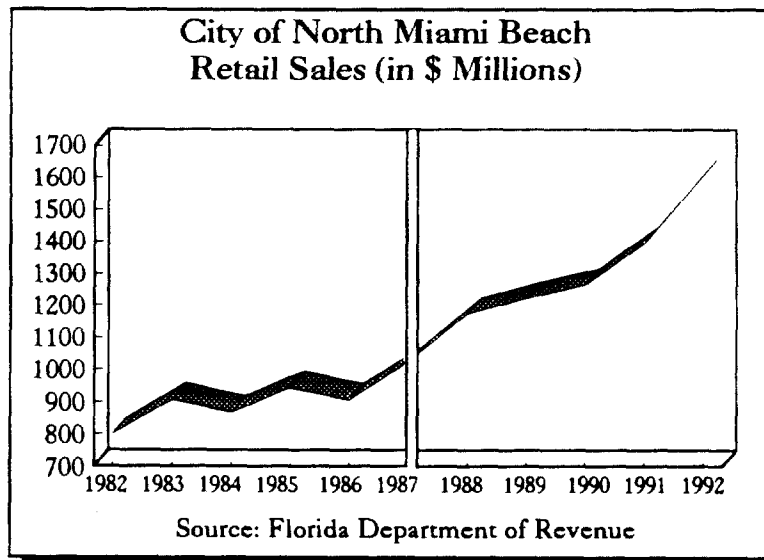
Occupational licenses measure more than the number of businesses. Anyone doing business in the City needs to obtain a license. Therefore, the total count is a measurement of the breadth of economic activity in the City.

Total Occupational Licenses *					
1989	1990	1991	1992	1993	
3713	3790	4123	4228	4555	

* As of January each year

In North Miami Beach, the retail sector accounts for more businesses, jobs and building space than any other economic sector.

In fact, the 1987 U.S. Census of Retail Trade placed North Miami Beach in the top ten



percent of all cities in Florida for total retail sales volume. Because of this, the level of retail sales is the single most telling indicator of the City's economy.

As strong as the retail sales were in 1987, the level has continued to increase at an impressive rate. Of particular significance is that sales are increasing at an accelerating rate.

RETAIL VACANCY RATES

Since 1989, the City has regularly inventoried the vacant store units in shopping centers and free standing buildings.

The results not only provide a listing of available space for businesses seeking a location in North Miami Beach, they are also a good indicator of economic activity.

Driven by the recent recession, the number of vacancies rose steadily between 1989 and 1991, hitting its highest level of 121 storefronts, or 17 percent, in September 1991.

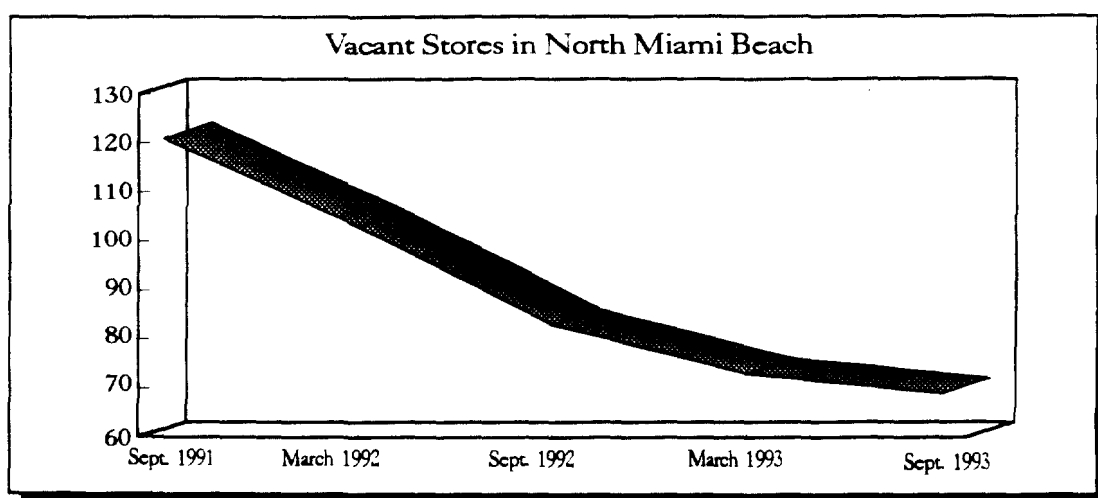
Since that time, the number of vacant storefronts has dramatically declined. By September 1992, the total had dropped by almost 31 per-

cent to only 83 units for a vacancy rate of only 11 percent.

By 1993, the vacancy rate had plummeted to just over 9 percent with only 69 vacant units in the City's commercial districts.

This dramatic absorption of existing space is especially noteworthy because it occurred *at the same time* that new commercial space was being added at a record pace.

The combination of declining vacancy rates and increasing amounts of commercial space makes a powerful statement about the market value of a North Miami Beach location.

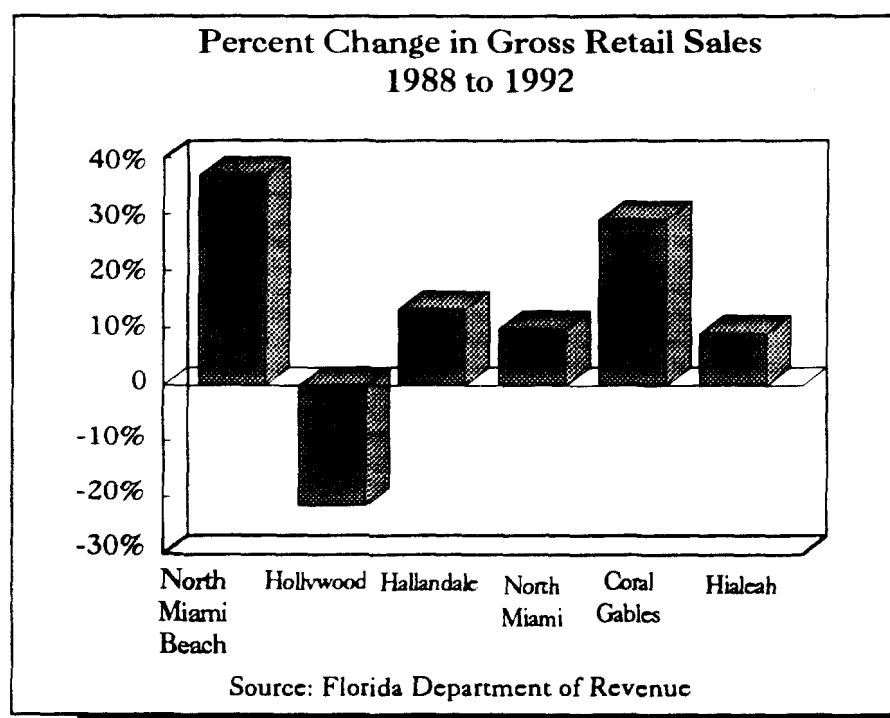


According to figures provided by the Florida Department of Revenue, retail sales in the City increased 28 percent in the five year period from 1982-1987.

In the following five years, sales increased by an astounding 57 percent.

It's also interesting to note how NMB compares to some of the other South Florida communities.

As the chart shows, North Miami Beach is a top performer among the area's more mature suburban markets.



**PUBLIC
INVESTMENTS**

Beautification

When the economic development program began in 1988, the City Council authorized a campaign to beautify the public streets as a complement to the improvements made by private property owners. The centerpiece of this effort was the new landscaping for State Road 826, North Miami Beach's main commercial corridor.

The project called for landscaping the medians from the Golden Glades Interchange, where the highway is known as 167th Street, east to the Intracoastal Waterway, where the highway is known as 163rd Street.

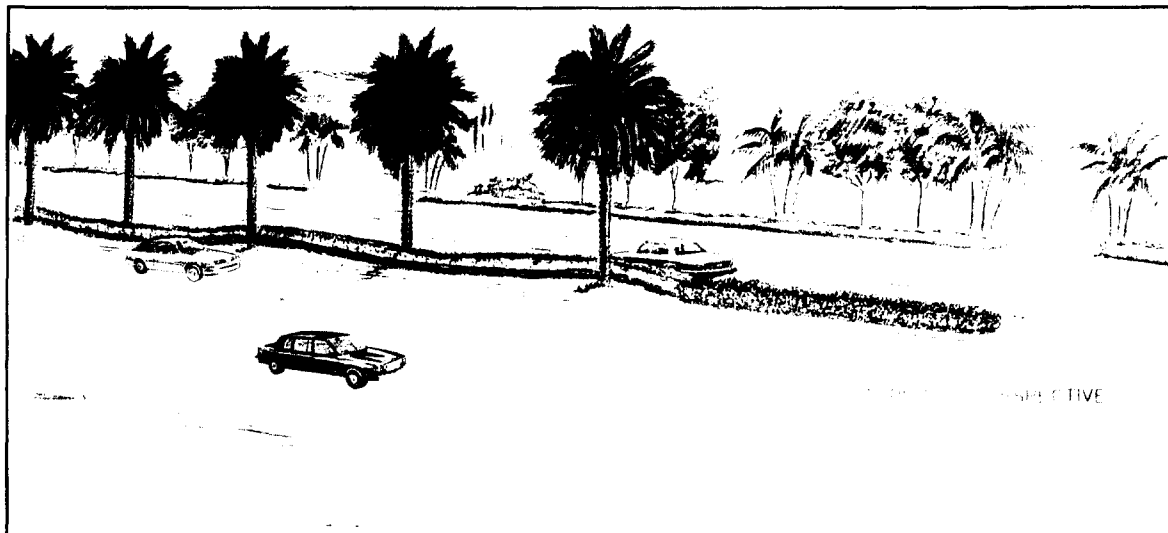
Beginning in 1988 and ending in 1993, the \$1.5 million dollar project transformed stark highway medians into gardens of lush tropical and semitropical landscaping.

The state's first large scale xeriscape experiment, State Road 826 is now lined with native tress, palms and shrubs.

The State of Florida, Metro-Dade County and the City of North Miami Beach combined resources to provide funding for the project.

Secondary roads with existing landscaping, such as NE 19th Avenue, have also been upgraded with additional trees and flower beds.

Artist's rendering for Biscayne Boulevard after completion of the road-widening project.



The City, with State and County funding help, turned an unsightly median along 163rd Street into an aesthetic asset.

Improvements

The latest Highway improvement was launched in 1993 when the State of Florida began demolition of properties on Biscayne Boulevard in preparation for a massive road-widening project.

When the project is completed, almost five miles of Biscayne Boulevard within the City will be greatly expanded, greatly enhancing traffic access to and circulation within North Miami Beach.

Landscape plans, prepared by City and the Florida Department of Transportation (FDOT), call for stately Medjool Date palms and other native plantings along the medians and on FDOT-owned shoulders.

The City is enlisting support from local businesses affected by the road-widening to complete perimeter landscaping.

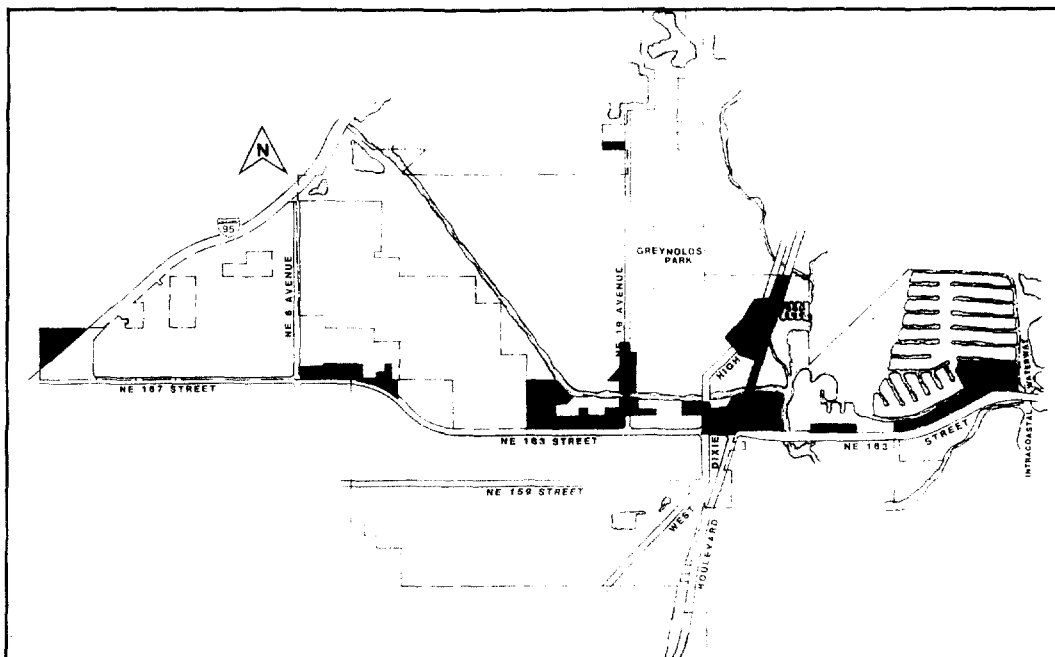
EXPANDING THE SEWER SYSTEM

As recently as 1988, less than half of the City's commercial districts had sanitary sewers. The absence of sewers was holding back economic growth because the density of development was restricted and restaurants were totally prohibited.

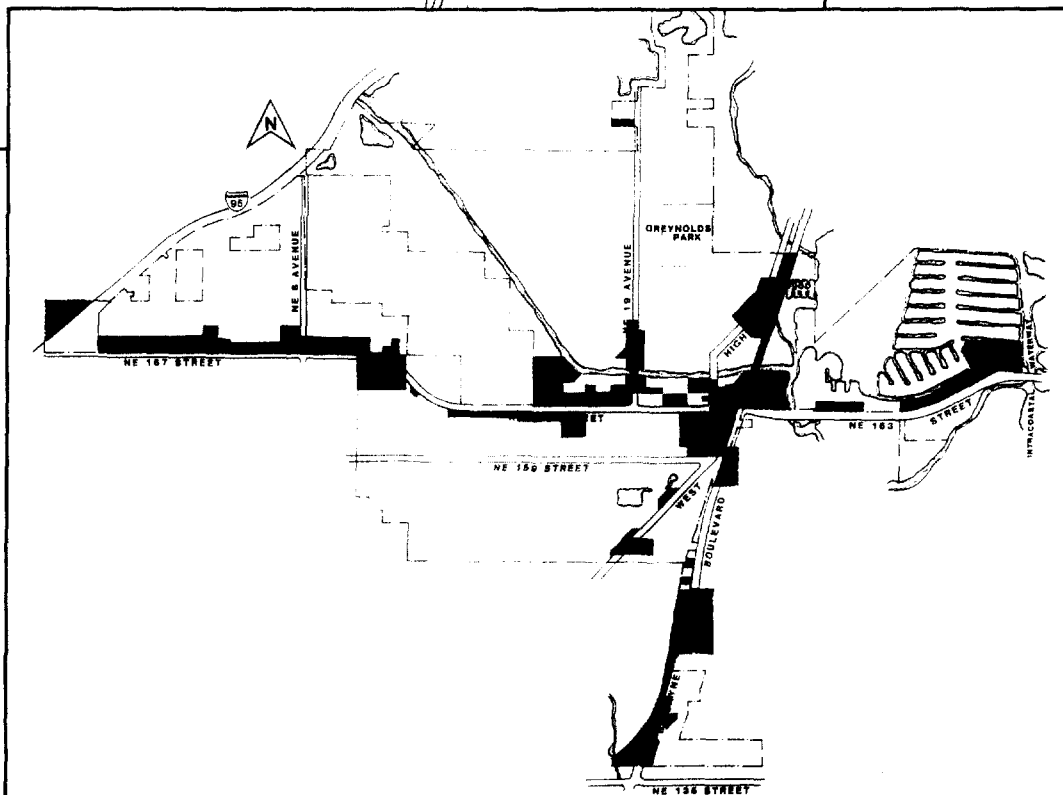
Since then, over seven miles of sewer lines have been installed by the North Miami Beach Public Utilities Department. Metro-Dade Water and Sewer Authority installed an additional 8,500 linear feet.

The new sewers have boosted the development potential in many areas of the City, such as the north side of 167th Street, the south side of 163rd Street, West Dixie Highway and Biscayne Boulevard.

The final segments are being installed as part of the Biscayne Boulevard road widening project, making possible the development of the City's last remaining large parcels as well as redevelopment of parcels recently made vacant by the right-of-way acquisition settlements.



In red, less than half of North Miami Beach commercial districts had access to sanitary sewers in 1988.



In red, by 1993, all of the City's commercial district could access sanitary sewers. More than seven miles was installed in five years.

■ - commercial zoning

The City of North Miami Beach is also making a substantial investment in new and expanded cultural, recreational and governmental facilities with four major projects underway.

□ Recognizing the importance of culture in the lives of its residents, the City joined forces with the Metro-Dade Cultural Affairs Council to build the Senator Gwen Margolis Amphitheater.

Located beside the Snake Creek waterway in the Harry Cohen Complex, the Amphitheater is the only facility of its kind in northeast Dade County.

The Amphitheater, which opened in December 1992, boasts seating capacity for over 500 patrons, a covered stage, two dressing rooms, and a professional quality sound system.

□ The City is renovating Victory Park Auditorium, transforming it into the North Miami Beach Cultural Center. Work should be complete in early 1994.

The new facility will have an enlarged stage area, improved dressing rooms, new lighting and audio systems, and increased office and storage space. Total seating capacity will be 990, of which 426 will be permanent seats with the remainder provided by retractable risers which can be withdrawn to provide a 4,275 square feet multi-purpose area for other events.

When complete, the North Miami Beach Cultural Center will be the finest performance facility in northeast Dade County.

□ Another way the City is enhancing the cultural environment is by expanding the North Miami Beach Library. The building will almost double in size to more than 23,300 square feet. Construction should be complete in early 1994.

The enlarged library will greatly increase the variety of topics and selection of

The open-air, state-of-the art Senator Gwen Margolis Amphitheater was constructed to provide cultural, educational and festive experiences.

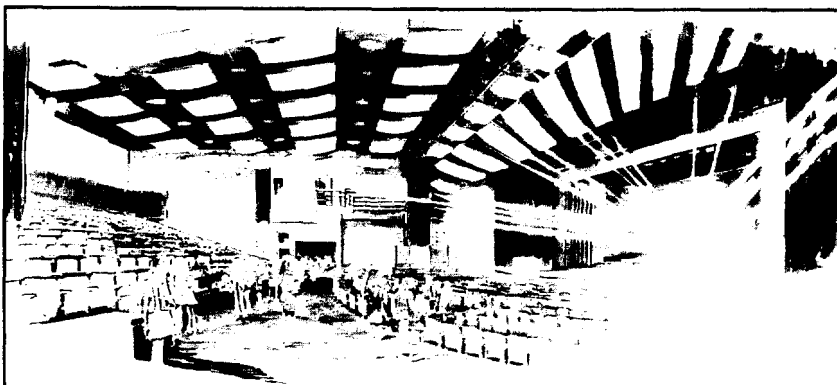


printed, audio and visual materials available for the enjoyment and education of the North Miami Beach residents.

□ In November 1993, North Miami Beach residents approved a \$13 million bond issue for a new police facility, parking facility, public plaza and improvements in the surrounding neighborhood.

These new features will combine with the City Hall complex to create a "Government Center", which will contain City offices, meeting rooms, recreation rooms, playground, tennis courts, basketball courts, Olympic-sized pool, North Miami Beach Cultural Center, public plaza and police facility. Construction should be complete by late 1995.

The willingness of the residents to tax themselves to invest in these projects reflects the community's commitment to a quality-of-life standard that is enjoyable, rewarding and secure.



Artist's rendering of the North Miami Beach Cultural Center (left) and the North Miami Beach Public Library (above).

**ECONOMIC
AND
COMMUNITY
DEVELOPMENT
PROGRAMS**

Information services, marketing and development guidelines are three of the least visible accomplishments of the economic development program.

They are also three of the most valuable accomplishments.

All three play an important role in continuing the momentum built up over the past five years. They are the key communication tools that help make the connections between people and help turn ideas into actions.

In 1988, these program components either did not exist or were so underdeveloped as to be of little value. Now, they are strong assets within the economic development program.

Information

Before 1989, there was no single place someone could go to get information about economic activity in North Miami Beach. One had to go to numerous separate government or private sources, if the information was available at all.

Now, the City's Economic Development Department serves as a one-stop clearinghouse for economic information. Among the topics:

- ☐ Population, households, incomes
- ☐ Economic Census data
- ☐ Occupational licenses issued
- ☐ Traffic counts
- ☐ Available retail and office space
- ☐ Recent property sales
- ☐ Retail sales data
- ☐ Available development sites
- ☐ New construction

Since 1989, North Miami Beach's marketing program has grown from a single newsletter to a full array of components designed to reach a wide audience.

In addition, if the staff does not have the information, they can provide advice on where the information might be obtained.

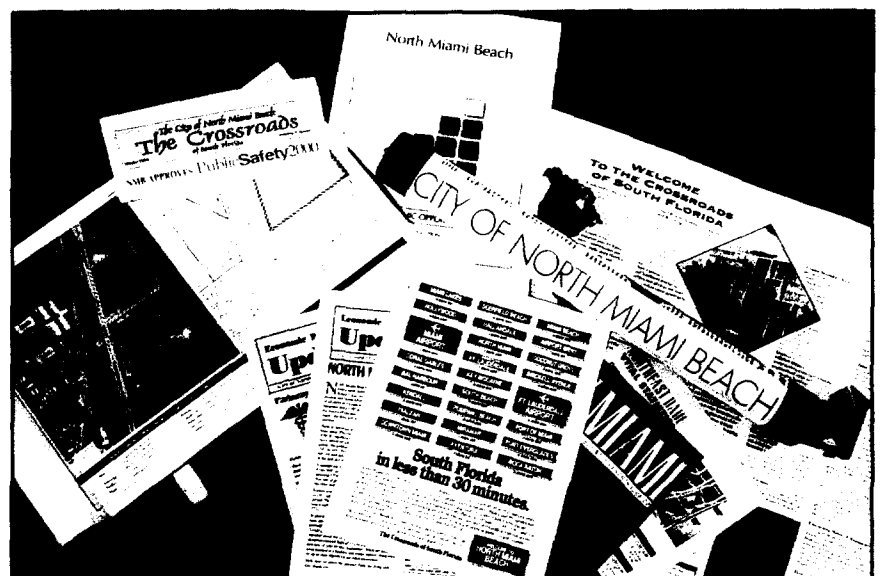
By offering this information service, the City can expedite the research needed for the numerous City policy and business investment decisions that must be made as part of the economic development process.

Marketing

Prior to 1989, there was no organized or sustained effort to make businesses and investors aware of the opportunities in North Miami Beach. Since then, the marketing program has since grown from a single newsletter to a full array of components designed to reach an ever-wider audience. The marketing tools now include:

- ☐ "Economic Development UPDATE" newsletter
- ☐ Six-page "Community Profile"
- ☐ Print media advertising
- ☐ Trade show exhibits
- ☐ Development opportunities packet
- ☐ Direct mail brochure and poster
- ☐ Available retail and office space packets
- ☐ Resident's newsletter
- ☐ Article reprints
- ☐ Shopping bags
- ☐ Staff for personal contact, inquiry processing, trade show attendance and other networking

The latest addition to the marketing tool chest is this Economic Development UPDATE five year report.



Development Guidelines

Over the last couple of years the City has carefully crafted a set of guidelines for new development and property improvement activities. These development guidelines have been a great plus for economic development.

The design quality reflected in the new development projects is largely due to these guidelines and the way the City has applied them in the review process. In almost every case, the original proposals submitted have been greatly improved in terms of layout, architecture, signage and landscaping.

The guidelines also have been used to actually promote new development. Policies contained in the regulations provide a great deal of flexibility, which has been used to facilitate projects that otherwise would not have been possible.

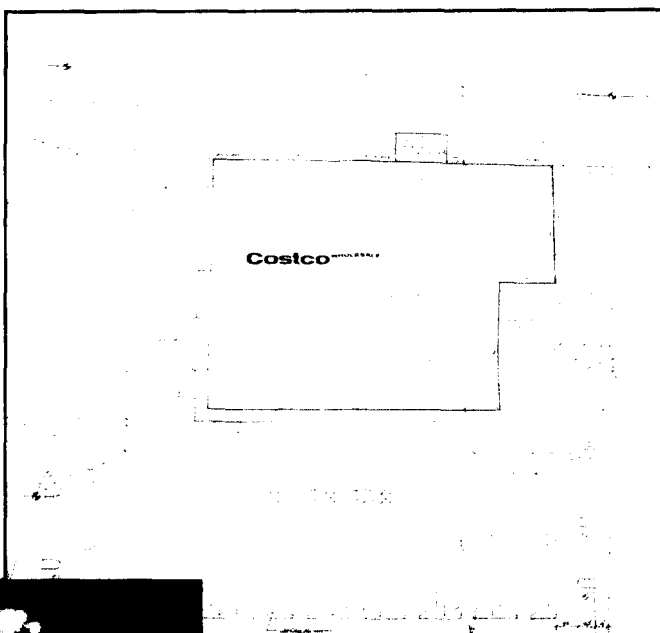
Equally important is the improvements to exist-

ing properties. As circumstances change, such as renovations or a new use, the properties must meet the new guidelines. Typically, the results are improved signs, landscaping and exteriors.

Lastly, the development guidelines will help stimulate future investments in North Miami Beach, for several reasons. First, the improved appearance of the properties creates a better image. Second, the knowledge that the City adheres to such standards gives confidence to investors and businesses that the area will not decline. And third, the improvements which result from the guidelines make other properties nearby more attractive for prospective businesses.

The new development guidelines with their improved review procedures are probably the single most important accomplishment of the City's economic development program.

The Costco Wholesale project is a good example of how a development proposal is refined through the City's design review process.



CONCLUSION

CONCLUSION : MAKING A DIFFERENCE

One element that all cities have in common is that the physical, social and economic character of the community will change. For better or worse, change is inevitable.

The challenge for the City of North Miami Beach five years ago was to keep change from translating into decline. The City's response was to become directly involved in causing changes that would help the community and preventing changes that would do harm.

The economic development program the City has pursued has consisted of many diverse components. The following are some examples:

- ☐ Landscaping along 163/167 Street and other roads;
- ☐ Vacating streets so Parkway Regional Medical Center could expand;
- ☐ Installing sewers in the commercial districts;
- ☐ New design standards and review procedures for improved architecture, landscaping and signs;
- ☐ Helping Costco get environmental clearance from the EPA;
- ☐ Construction of the amphitheater, expansion of the library and development of the cultural center;
- ☐ Marketing program of ads, brochures, direct mail, information packets, exhibits and personal contact;
- ☐ Enlarged, reorganized and better equipped police department for improved security;
- ☐ Convincing the State to cancel the proposed highway overpass at Biscayne Boulevard and 163 Street;

☐ An Economic Development staff to connect people, provide needed information and help solve problems;

☐ Better defined and more effective code enforcement program;

☐ Eliminating many blighted buildings on Biscayne Boulevard by insisting that Florida DOT not leave substandard conditions after the property acquisition for the widened highway.

The City government has clearly made a tremendous effort to protect and expand its business community.

As for results, the economic indicators provide firm evidence that the strategy has indeed been effective over the last five years:

- ☐ 28 construction projects with over 525,000 square feet of new commercial building space;
- ☐ Almost \$34 million added to the City's tax base;
- ☐ Renovations of 34 properties at an investment of \$3 million;
- ☐ Over 2,000 new jobs;
- ☐ Parkway Regional Medical Center with an enlarged hospital, expanded services and a new 70,000 medical office building;
- ☐ 43% drop in store vacancies;
- ☐ 57% increase in retail sales.

All-in-all, a solid scorecard.

The City's success is a good example of what can be accomplished when a committed City government and business community cooperate toward a common goal. While change may be inevitable, progress is not. The City of North Miami Beach has demonstrated that with new approaches, hard work and some luck, it is possible to make the difference.

APPENDIX G

NORTH MIAMI BEACH
ECONOMIC DEVELOPMENT UPDATE
NOVEMBER/DECEMBER 1993